Deficiency for Monitoring of Speculative Activity

1427. SHRI ANANT RAM JAISWAL : SHRI SATYA PRAKASH MALAVIYA :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Regulation by Stock Exchanging authority for regulation and monitoring of speculative activity in the exchanges have, of later, been found ineffective and Government propose to ban Badla transaction ; and

(b) if so, what are the details thereof stating the deficiencies identified in the system and the steps taken by Government to improve the monitoring system ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) The Securities and Exchange Board of India (SEBI) has been established on 21st February, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market. In a meeting held on 27th August, 1993 with the office bearers of stock exchanges at Delhi, Calcutta, Bombay and Ahmedabad, the Chairman, SEBI suggested that the Stock Exchanges needed to strengthen their monitoring of activities of the member-brokers in a more effective manner and the experience of such monitoring in the past had not been up to the desirable standards. He also pointed out that if the regulation by stock exchanges was found to be ineffective, SEBI would have no option but to step in and take corrective measures including an imposition of a ban on badla transactions.

(b) The effective implementation of rules of trading in securities by the stock exchanges is reviewed on a continuous basis by SEBI and it would interevene if it is found that stock exchanges are unwilling to enforce discipline.

Duty Free Import of Alcohol

1428. SHRI ANANT RAM JAISWAL SHRI SATYA PRAKASH MALAVIYA :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government propose to allow duty free import of alcohol ;

(b) if so, what are the implications involved so far as domestic manufacturers are concerned and what is the likely impact on the domestic prices of alcohol ; and

(c) the manner in which government propose to ensure that the imported alcohol is utilised for the purposes for which it is imported and is not diverted for misuse ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (M. V. CHANDRASHEKHR MURTHY) : (a) At present, there is no proposal with the Government to allow duty free import of alcohol.

(b) and (c) The import duty on ethyl alcohol, denatured, was reduced from 105% to 10% vide Notification No. 176/93-Customs, dated the 20th October, 1993. The alcohol is to be denatured to ensure that such alcohol is not diverted for misuse.

Borrowing from World Bank and International Monetary Fund

1429. SHRI ASHIS SEN : Will the Minister of FINANCE be pleased to state :

(a) the total amount of borrowings from the World Bank and the International Monetary Fund as on 30 September, 1993 institution-wise separately ; and

(b) what were the outflows by way of interest and other service charges thereon during 1992-93 and the amount due during 1993-94 ?